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2
3 UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

4 IN RE:

5 Thomas Killion and Nicole Nelson,

6
7 Debtors.

Case No. 13-10561-TWD

Chapter: 7

DECLARATION OF JEFF FOODY
IN SUPPORT OF RESPONSE TO
TRUSTEE'S MOTION FOR ORDER
APPROVING SALE

9 I, Jeff Foody hereby declare as follows:

10 1. I am the Vice President of Reverse Mortgages Northwest and I have pertaining to
11 the information in this declaration.

12 2. I have reviewed the reverse mortgage loan transaction for Thomas Killion who I
13 understand is a Chapter 7 debtor in a pending bankruptcy case.

14 3. At this time, I have worked with another loan officer, Matt Dunn, to pre-approve
15 a reverse mortgage on the property located at transaction with my oversight over the past few
16 weeks and at 16328 27th Ave NE, Seattle, WA 98155, ("Residence").

17 4. Thomas Killion and Nicole Nelson have worked with my office to review the
18 required disclosures and requirements for a reverse mortgage, along with an appraisal of their
19 Residence. The appraisal came in at \$300,000.00 and the reverse mortgage approval hereto as
20 Exhibit A allows for a maximum "Lien Payoff" of \$145,700.00 if Thomas Killion is the
21 borrower for the reverse mortgage.

22 5. Since the first mortgage owing on September 3, 2013 was \$60,568.95, I can
23 estimate that at least \$85,000.00 will be available to pay to their bankruptcy estate from the
24 closing of the reverse mortgage through escrow.
25
26
27

DECLARATION OF JEFF FOODY IN SUPPORT OF
RESPONSE TO TRUSTEE'S MOTION FOR ORDER
APPROVING SALE

HENRY, DeGRAFF & McCORMICK, P.S.
1833 N 105TH ST, SUITE 200
SEATTLE, WASHINGTON 98104
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fax (206) 400-7609

1 5. At this time, Nicole Nelson is the owner on title for the Residence but since
2 Thomas Killion is 65 years old and is the only debtor eligible for the reverse mortgage, the
3 transaction will require that Nicole Nelson quit claim deeds the property to Thomas Killion as
4 his sole and separate property, he can take out reverse mortgage only in his name.

5 6. My office will also require Nicole Nelson to sign-off on this transaction after
6 receiving counsel from a separate attorney. It is my understanding that she has a meeting set up
7 with an attorney next week who will provide the final paperwork needed to make this transaction
8 work.

9
10 I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND
CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

11 DATED this November 27, 2013

/s/ Jeff Foody
Jeff Foody

EXHIBIT A



Amortization Schedule - Annual Projections

Borrower Name/Case Number: **Thomas Killion / 20A-0000196**

Refinance: **No**

Age of Youngest Borrower:	64	Initial Property Value:	\$300,000.00
Interest Rate (Expected / Initial):	5.060% / 5.060%	Beg. Mortgage Balance:	\$160,500.00
Maximum Claim Amount:	\$300,000.00	Expected Appreciation:	4.000%
Initial Principal Limit:	\$160,500.00	Initial Line Of Credit:	\$0.00
Initial Advance:	\$65.05	Monthly Payment:	\$0.00
Lien Payoffs with Reverse Mortgage:	\$145,700.00	Monthly Servicing Fee:	\$0.00
Financed Closing Costs:	\$14,734.95	Mortgage Insurance (MIP)	1.25%

NOTE: Actual interest charges and property value projections may vary from amounts shown. Available credit will be less than projected if funds withdrawn from line-of-credit.

Annual Totals							End of Year Projections			
Yr	Age	SVC Fee	Cash Payment	MIP	Rate	Interest	Loan Balance	Line Of Credit	Property Value	Equity
1	64	\$0	\$0	\$2,065	5.060%	\$8,360	\$170,926	\$0	\$312,000	\$140,499
2	65	\$0	\$0	\$2,199	5.060%	\$8,903	\$182,029	\$0	\$324,480	\$141,876
3	66	\$0	\$0	\$2,342	5.060%	\$9,482	\$193,853	\$0	\$337,459	\$143,032
4	67	\$0	\$0	\$2,494	5.060%	\$10,098	\$206,445	\$0	\$350,958	\$143,938
5	68	\$0	\$0	\$2,657	5.060%	\$10,754	\$219,855	\$0	\$364,996	\$144,566
6	69	\$0	\$0	\$2,829	5.060%	\$11,452	\$234,136	\$0	\$379,596	\$144,885
7	70	\$0	\$0	\$3,013	5.060%	\$12,196	\$249,345	\$0	\$394,780	\$144,860
8	71	\$0	\$0	\$3,209	5.060%	\$12,988	\$265,542	\$0	\$410,571	\$144,454
9	72	\$0	\$0	\$3,417	5.060%	\$13,832	\$282,790	\$0	\$426,994	\$143,628
10	73	\$0	\$0	\$3,639	5.060%	\$14,730	\$301,160	\$0	\$444,073	\$142,339
11	74	\$0	\$0	\$3,875	5.060%	\$15,687	\$320,722	\$0	\$461,836	\$140,539
12	75	\$0	\$0	\$4,127	5.060%	\$16,706	\$341,555	\$0	\$480,310	\$138,179
13	76	\$0	\$0	\$4,395	5.060%	\$17,791	\$363,742	\$0	\$499,522	\$135,205
14	77	\$0	\$0	\$4,681	5.060%	\$18,947	\$387,370	\$0	\$519,503	\$131,558
15	78	\$0	\$0	\$4,985	5.060%	\$20,178	\$412,532	\$0	\$540,283	\$127,176
16	79	\$0	\$0	\$5,308	5.060%	\$21,489	\$439,329	\$0	\$561,894	\$121,990
17	80	\$0	\$0	\$5,653	5.060%	\$22,884	\$467,867	\$0	\$584,370	\$115,928
18	81	\$0	\$0	\$6,020	5.060%	\$24,371	\$498,258	\$0	\$607,745	\$108,912
19	82	\$0	\$0	\$6,412	5.060%	\$25,954	\$530,624	\$0	\$632,055	\$100,856
20	83	\$0	\$0	\$6,828	5.060%	\$27,640	\$565,091	\$0	\$657,337	\$91,671
21	84	\$0	\$0	\$7,272	5.060%	\$29,435	\$601,798	\$0	\$683,630	\$81,257
22	85	\$0	\$0	\$7,744	5.060%	\$31,347	\$640,889	\$0	\$710,976	\$69,511
24	87	\$0	\$0	\$8,783	5.060%	\$35,552	\$726,854	\$0	\$768,991	\$41,562
26	89	\$0	\$0	\$9,961	5.060%	\$40,321	\$824,350	\$0	\$831,741	\$6,816
28	91	\$0	\$0	\$11,297	5.060%	\$45,729	\$934,924	\$0	\$899,611	\$0
30	93	\$0	\$0	\$12,812	5.060%	\$51,863	\$1,060,329	\$0	\$973,019	\$0
32	95	\$0	\$0	\$14,531	5.060%	\$58,820	\$1,202,555	\$0	\$1,052,418	\$0
34	97	\$0	\$0	\$16,480	5.060%	\$66,709	\$1,363,858	\$0	\$1,138,295	\$0
36	99	\$0	\$0	\$18,690	5.060%	\$75,657	\$1,546,798	\$0	\$1,231,180	\$0

Thomas Killion

Date



Total Annual Loan Cost Rate

Borrower Name/Case Number: **Thomas Killion / 20A-0000196**

Refinance: **No**

LOAN TERMS

Age of Youngest Borrower: **64**
 Property Value: **\$300,000.00**
 Initial Interest Rate: **5.060%**
 Monthly Advance: **\$0.00**
 Length of Term:
 Initial Advance: **\$65.05**
 Lien Payoffs with Reverse Mortgage: **\$145,700.00**
 Initial Line Of Credit: **\$0.00**

MONTHLY LOAN CHARGES

Servicing Fee: **\$0.00**
 Mortgage Insurance: **1.25% annually**

OTHER CHARGES

Shared Appreciation: **None**

INITIAL LOAN CHARGES

Mortgage Insurance Premium: **\$7,500.00**
 Other Closing Costs: **\$7,234.95**
 POC Closing Costs: **\$575.00**
 Annuity Cost: **\$0.00**

REPAYMENT LIMITS

Net proceeds estimated at 93% of projected home sale

Total Annual Loan Cost Rate

Appreciation Rate	Disclosure Period (Years)			
	2 Years	10 Years	19 Years	27 Years
0%	11.808%	6.750%	3.498%	2.449%
4%	11.808%	7.413%	6.904%	6.547%
8%	11.808%	7.413%	6.904%	6.737%

The cost of any reverse mortgage loan depends on how long you keep the loan and how much your house appreciates in value. Generally, the longer you keep a reverse mortgage, the lower the total annual loan cost rate will be.

This table shows the estimated cost of your reverse mortgage loan, expressed as an annual rate. It illustrates the cost for four loan terms: 2 years, half of life expectancy for someone your age, that life expectancy, and 1.4 times that life expectancy. The table also shows the cost of the loan, assuming the value of your home appreciates at three different rates: 0%, 4% and 8%.

The total annual cost rates in this table are based on the total charges associated with this loan. These charges typically include principal, interest, closing costs, mortgage insurance premiums, annuity costs and servicing costs (but not disposition costs--costs when you sell the home).

The rates in this table are estimates. Your actual cost may differ if, for example, the amount of your loan advances varies or the interest rate on your mortgage changes. You may receive projections of loan balances from counselors or lenders that are based on an expected average mortgage rate that differs from the initial interest rate .

SIGNING AN APPLICATION OR RECEIVING THESE DISCLOSURES DOES NOT REQUIRE YOU TO COMPLETE THIS LOAN

Thomas Killion

Date

Reverse Mortgage Comparison

From: Jeff Foody, Reverse Mortgage Northwest
4949 Meadows Rd. , Ste 150, Lake Oswego,
OR , OR 97035
Phone: 503-427-1667

Estimates For: Thomas Killion Date Of Birth:
12/5/1949
16328 27th Avenue NE
Seattle, Washington 98155
Closing Date: 12/30/2013 (estimate)



Rates and Fees	NEW PA Fixed	NEW PA Libor
Margin	N/A	2.250%
Initial Interest Rate	5.060%	2.416%
Expected Interest Rate	5.060%	4.930%
Ongoing Mortgage Insurance Rate	1.25%	1.25%
Cap on Interest Rate	5.060%	12.416%
Initial Line of Credit Growth	N/A	3.666%

Calculation

Home Value	\$300,000.00	\$300,000.00
Maximum Claim Amount	\$300,000.00	\$300,000.00
Principal Limit	\$160,500.00	\$160,500.00
- IMIP	\$7,500.00	\$7,500.00
- Origination Fee	\$5,000.00	\$5,000.00
- Other Costs	\$2,234.95	\$2,234.95
+ Credits	\$0.00	\$0.00
Remaining Principal Limit	\$145,765.05	\$145,765.05
- Liens and Mortgages	\$145,700.00	\$145,700.00
- Repair Set Aside	\$0.00	\$0.00
- 1st Year Tax and Insurance Set Aside	\$0.00	\$0.00
Total Mandatory Obligations	\$160,434.95	\$160,434.95
% of Principal Limit	99.96%	99.96%
Initial Disbursement Limit	\$160,500.00	\$160,500.00
% of Principal Limit	100.00%	100.00%
- Additional Tax and Insurance Set Aside	\$0.00	\$0.00
Net Principal Limit	\$65.05	\$65.05

Available Funds and Requested Payments

Max Available Cash at Closing	\$65.05	\$65.05
Cash Request	\$65.05	\$0.00
Total Line Of Credit	N/A	\$65.05
Line Of Credit Available 1st Year	\$0.00	\$65.05
Line Of Credit Available After 1st Year	\$0.00	\$0.00
Available Monthly Tenure Payment 1st Year	\$0.00	\$0.37
Monthly Payment 1st Year	\$0.00	\$0.00
Available Monthly Tenure Payment	\$0.00	\$0.37
Monthly Payment Request	N/A	\$0.00
Initial Loan Balance	\$160,500.00	\$160,434.95
Unavailable Principal Limit	\$0.00	\$0.00

The above numbers are calculated based upon the specified interest rates and the estimated closing date noted above. Changes in interest rates and/or changes in actual closing dates may cause the amounts available to be higher or lower than stated.

Thomas Killion

Date